

TESTIMONY OF FRANCIS J. PRINCIPE,  
to the SUBCOMMITTEE on FINANCE & HAZARDOUS WASTE,  
given on March 7, 1997 at  
City Hall, New York City.

As the President of the non profit WEST MASPETH LOCAL DEVELOPMENT CORPORATION (W.M.L.D.C.) which I founded in 1982, I speak on behalf of 100 industrial company members and approximately 300 other industrial concerns located in the N.Y. City designated area known as THE WEST MASPETH IN-PLACE INDUSTRIAL PARK, neither I nor the W.M.L.D.C. have ever received any federal grants or contracts.

I have no knowledge of any cases of Super Fund implementation in New York City. I am, however, a member of the N.Y.C. Committee for Brownfields and its Subcommittee "For the selection of sites for Pilot Demonstrations".

At this time, I seek to bring to your attention an area of 35 Acres of prime industrial property zoned for heavy industrial use, (M-3), that is at the geographic center of the five boros of New York City, bordered by two major highways, a main line of the Long Island Railroad, and abutting the navigatable waterway called Newtown Creek.

The history of this choice industrial property began in 1880, when George H. Nichols founded the Laurel Hill Chemical Works (known then as Nichols Copper Works) where copper was smelted and pesticides manufactured. The factory was located on the upland of the beach that was formed by the confluence of the north bank of Maspeth Creek with the easterly side of Newtown Creek, at the bottom of Laurel Hill. The then high water line of Maspeth Creek at that point ran from east to west through the center of the present site. In the 1880s Mr. Nichols and adjoining owner, Samuel Schefflin, obtained Grants to the land under water. That made it possible to enlarge the original site by filling in the areas of the Grants. The site again was enlarged by filling in further to the line of the U.S. Pierhead and Bulkhead Line that was established in 1920, and moved again in 1940, which when backfilled formed the present site of 23.17 Acres between the bulkhead line and the Long Island Railroad Right of Way. The whole property also includes an upland area of 12.43 Acres on the slope of the adjoining hill, north of the Long Island Railroad, in addition to the 23.17 Acres, giving the property a grand total area of 35.60 Acres.

In 1920 the entire property was purchased by the Phelps-Dodge Copper Refining Corp.. Subsequently, additional facilities were installed for smelting scrap copper and electrolytic copper refining.

In 1984 following the receipt of a report issued by the N.Y. State Dept. of Environmental Conservation, Div. of INACTIVE HAZARDOUS WASTE DISPOSAL, certifying the property as a Code Class 2, "Significant threat to the public health or environment - Action required", all operations at the site, then ceased.

The report states that "the Phase One State Superfund Investigation has been completed. The owners have found high levels of Lead and Cadmium in soil samples. The remedial plan has been approved. Remedial action in progress should be complete in early 1988"

Subsequently the property was sold to the U.S. POSTAL SERVICE, in 1986, with a stipulation and agreement that \$500,000.- of the purchase price would be held in escrow to be paid to Phelps Dodge when the contamination had been fully removed. Phelps-Dodge started the remedial work but abandoned it shortly thereafter. Nothing has been done since, except that the property ownership, through a lawsuit by the U.S. Postal service, has been returned to Phelps-Dodge.

#### SUMMARY

This site, when cleaned-up has the potential of providing space for at least 25 new industrial buildings, making possible the employment of 3000 workers.

The tax revenue to the City, State, and Federal Government that such development would produce is estimated to be over \$ 5 Million Dollars EACH YEAR !

It is most imperative that the loss of jobs and tax revenue, that has gone on for the last twelve years, be terminated.

Therefore, steps should be taken without further delay, to make this property suitable for development. This would accommodate the many inquiries that I have received for sites wanted by industrial firms desirous of locating in our West Maspeth In-Place Industrial Park.